

OREGON STATE BAR

Board of Governors Agenda

Meeting Date: June 20-21, 2019
From: Amber Hollister, General Counsel
Re: CSF Claim No. 2019-17 Deveny (Kertz)

Action Requested

Consider Client Security Fund Committee's recommendation that the board grant claimant Laurie Kertz's claim for \$33,335 in the matter of CSF Claim No. 2019-17 Deveny (Kertz).

Discussion

Claimant Kertz hired Ms. Deveny in March 2017 to represent her in obtaining damages for injuries sustained in a motor vehicle accident that occurred on July 10, 2015. She agreed to a contingent fee agreement, in which Ms. Deveny was to receive one-third of the settlement.

Ms. Deveny settled the case for \$50,000, which was policy limits. At the time of settlement there was an outstanding Medicare lien for \$37,649.90.

Ms. Deveny resigned Form B, effective July 26, 2018, while numerous disciplinary cases were pending. In 2018, Ms. Kertz was under the impression her case was still pending until the Portland Police Department contacted her about Ms. Deveny's alleged theft. Ms. Kertz did not receive any of her settlement proceeds from Ms. Deveny.

At its May 11, 2019 meeting, the Client Security Fund Committee reviewed Ms. Kertz's claim and unanimously voted to recommend that the Board reimburse her for \$34,000 of her loss. Ms. Kertz's claim would not ordinarily be eligible for reimbursement at this time, pursuant to CSF Rule 2.1.6, because Ms. Deveny has not been found guilty of a crime and Ms. Kertz has not obtained a civil judgment against her. The Committee, however, voted to waive the requirement of CSF Rule 2.1.6 based on extreme hardship under CSF Rule 2.6, based upon her circumstances and the available evidence.

Staff recommends that the board approve the claim for \$33,335, or 66.67% of \$50,000. This amount is slightly less than the amount recommended by the CSF Committee, however that recommendation may have been the result of a computational error.